UNIVERSITI TUNKU ABDUL RAHMAN

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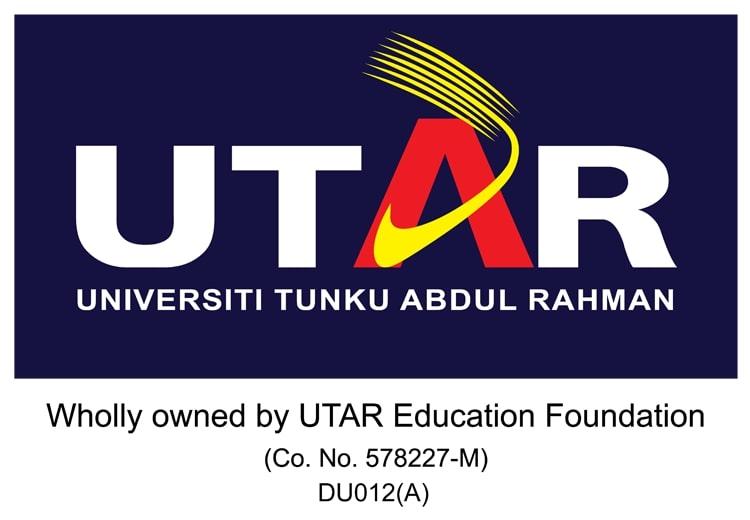
FINAL ASSESSMENT

**ANSWER SCRIPT**

**Candidate is required to fill in ALL the information below:**

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| --- | --- | --- | --- |
| Name : (as stated in Student Identity Card) | TAN YING YAO 1703648 | | |
| Faculty /Institute/ Centre: | LKC FES | Programme : | SE |
| Index No.  (in numbers) : | U00584EBSEF | Index No.  (in words) : | U-ZERO-ZERO-FIVE-EIGHT-FOUR-EBSEF |
| Course Code : | UECS3393 | Course Description : | SOFTWARE ENTREPRENEURSHIP |
| Submission Date : | 04/05/21 | Time : | 1400PM |

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| **QUESTION NUMBER** | **FOR EXAMINER’S USE ONLY** | |
| **MARKS** | |
| **Internal** | **External** |
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| **TOTAL MARKS** |  |  |



**DECLARATION STATEMENT**

I, **TAN YING YAO** (Name), Student ID No. **1703648** hereby solemnly and sincerely declare and confirm that I have read, understood and shall abide and comply with all laws, rules, regulations, guidelines and lawful instruction of the University and its staff in relation to the commencement of any assessment / examination during my programme of study in Universiti Tunku Abdul Rahman.

I hereby declare that my submission for all assessment / examination during my programme of study in the University shall be based on my original work, not plagiarised from any source(s) except for citations and quotations which have been duly acknowledged. I am fully aware that students who are suspected of violating this pledge are liable to be referred to the Examination Disciplinary Committee of the University.

TANYINGYAO

Name: TAN YING YAO

Student’s I.C. / Passport No.: 971210-14-5673

Date: 04/05/21

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1)

(a)

Dell’s Business model primarily differ from IBM’s business model as Dell has a more hands-on approach to dealing with customer. Dell has to manually request and contact manufacturers whereas IBM had already prepared and assembled the stock in advance. Dell also does not manufacturer but relies on contracts to ship component parts while IBM obtains subcomponents from suppliers and create their own basic parts. Dell also assembles the computer parts as they arrive as opposed to IBM’s way of assembling it beforehand and storing it in the warehouse. Dell does this to maintain customer relationship primarily. Dell also ships the computer via UPS or FedEx whereas IBM requires customers to visit a retailer to obtain the computer.

(b)

IBM’s Business Partner involves the subcomponent suppliers which supplies them with subcomponents to create basic components. IBM also have business partners in the form of warehouse owners which is used to store PC’s. IBM also have a business relationship with retailers as they ship their PC to retailers until it is sold. Dell’s Business Partner is their component manufacturers which enables them to instantly view order info and shipment. Dell is also in a business relationship with UPS and FedEx which is in charge of delivering their assembled PC directly to the hands of customer.

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(c)

In my opinion, Dell’s business model is much more cost effective in comparison to IBM’s business model. Firstly, Dell doesn’t have to manufacture the parts personally but rather order them off a manufacturer which reduce their cost of creating the product greatly. IBM has to rely on purchasing subcomponents and then creating basic components which increase their cost. Secondly, Dell only assembles the PC when required and ordered from the customers which means that it is produced on a demand basis which reduce its cost. IBM mass assembles PC that will never see the light of day which is then stored in a warehouse based on forecast which may or may not be accurate. Thirdly, Dell delivers the computer to customers via a third party such as UPS or FedEx which reduces their transportation cost. IBM has to manually deliver PC to retailer which cost them more money if it is not sold. Hence, Dell’s business model is more cost effective than IBM.

(d)

Dell’s business model offers value proposition in terms of customization. Customers are able to select various components of their computer. This personalization helps ensure buyers get exactly what they desired. Dell’s business model also offers value propositions in terms of price. Dell is able to compete on by offering better pricing due to its cost effectiveness as it spends little on manufacturing and operational cost. It does not maintain any retail stores thus allowing it to minimize overhead expenses.

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2) (a)

(i)

Background or knowledge accumulation occurs when the 3M manager contacts the research and development department for light adhesive. It is then revealed the adhesive was not strong enough for industrial use. A batch of glue as prepared and applied to small pieces of paper that can function as a bookmark.

(ii)

The mind incubation process occurs when the manager questioned the members of research and development if an adhesive has the ability to do this. The manager needed something that would adhere to the page but not tear it.

(iii)

The idea experience occurs when the manage realise it can be used other than as a bookmark. It can be used to attach messages to files and managers can use it to send notes along with letters and memos.

(iv)

Evaluation and implementation occur when the manager produces a large batch of these ‘attachable’ notes. The notes are produced in large batch and is referred as Post-it Notes and distributed to secretaries throughout the company. The department had become inundated with calls for the notes and production began as a result. The notes became a huge success due to its huge demand and became a successful product line at the 3M company.

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(b)

The manager had the Post-it Notes distributed throughout the company to test its demand and popularity. It is the correct move as the notes exploded in popularity as more people began to ask for them. The manager had to cut off the supply and told everyone to contact the marketing department instead. The strong demand existed and full production of the notes began.

(c)

Invention is definitely the main type of innovation displayed in this case study. There is already the existence of bookmarks but it has a flaw of falling out easily. People has always wanted a note system of sort that can be easily placed and used. There is an untapped demand for Post-it Notes due to its flexibility and portability which resulted in a huge demand.

(d)

Process needs is the main innovation sources that is related to the case study. It is revealed that the adhesive used is too weak thus requiring a better adhesive to be used to solve the issue present. The source of innovation resulted in an improvement to the product and creating a new solution for an unsolved problem. The requirement for the notes to have a strong enough adhesive drove the process need to create a the Post-it Notes.

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3) (a)

A business plan definitely contributes to the primary reasons for new business failure and success. A business plan is a document that a business owner can use to start and operate their business on. The document can be used to show investors and bankers to raise money and capital for their business. A proper business plan can help owners to identify the whole business and set strategic alignment to further tap into their market. The business plan also serves as strategic focus to ensure business and start-ups to focus on their identities and target markets to tailor their service properly. A good business plan can also help set priorities as it can help to keep track of the resources and time strategically. It can also manage change through good planning process by regularly review assumptions, calculate progress and create new developments. Business plan can also offer a form of milestone by providing key goals to achieve and work towards. Business plans also can be a form a metrics by serving as a performance indicator ensure all the numbers and expenses are kept and documented properly.

(b) (i)

Scanning and searching the environment of consumers to pick up and process signals about potential innovation. Strategic selecting from this set of potential triggers for innovation to ensure the organization will commit resources to improve as to provide a competitive edge. A fast-food restaurant chain can include a wider consumer-base by including vegetarian menus to target vegans. This can help increase profit and revenue by interviewing customers and properly approach customer’s tase in the area.

(ii)

An insurance company can start by searching competitors and study user needs and reactions to drive the product development. An insurance company should cover a wide array of disease and factors to ensure that they outmatch their competitors to provide a better value to their customers. This will ensure that the customers understand the coverage provided is of better value compared to their competitors.

(iii)

A new entrant biotechnology firm must distinguish itself by researching old competitors and investigate user needs to ensure it has a competitive edge. The firm should strive to offer better cost advantage, strict regulations and higher technical knowledge to appeal to their consumers. This will result in a leading edge over other competitors due to the availability of better value and strength.

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(c)(i)

Adult Dating Apps mainly targets people who want to find new friends. The app helps connect people from different culture and background to provide a common platform for them to trade their opinions and personal views. Adult Dating Apps also target people who want to find a partner. The app can help people of different genders to befriend and even develop a relationship between each other through the chatting function.

(ii)

Air-Asia Online Booking System targets the lower-income and middle-class consumers that wants to utilise the flight transport. Their slogan “Now everyone can fly” markets heavily towards consumers that want to travel between countries but are limited by their spending capabilities. Air-Asia also targets people whom desires low-fares transports. They significantly reduce their price to suit all class of their customers.

(iii)

Online Games Service Provider targets the hard-core market which spends a lot of their money on high-end gears and triple A games. These customers are considered as “early adopters” due to their need to constantly acquire new gears and purchase new games. These Online games also targets the mass-market consumers. These mass-markets consumers tend to prefer games that are casual and easy to learn. They typically want quick validation and satisfaction and is willing to spend money on games when needed.

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Q4.

(a) (i)

Product innovation helps create new products or improve existing products to increase their usage. For example, Apple can be noted as a leader in product innovation due to its development of new products and new technologies. The invention of the first Macintosh, Macintosh 128k and the revolutionary iPhone changed and revolutionised the entire industry which translate into new sales and lead in market shares. For another example, LG can also be noted as a company that thrives in product innovation due to creation of new flexible screens. LG introduced a new type of screen that is flexible enough to be rolled into a newspaper. The portability factor of the screen resulted in their attraction of new customers in the market for mobile devices which cause an updraft in market shares and sales.

(ii)

Process innovation fundamentally changes the ways in which products are being created and delivered. For example, the most popular process innovation is definitely Nike’s success in the implementation of the Flyknit shoe. The iconic Flyknit shoes helps improve sport performance and is a huge market success which translate to increase in sales. For another example, Amazon’s Kindle can be seen as a successful process innovation that resulted in increase of market share. Amazon’s Kindle provides an effective and efficient way for people to buy Amazon’s best products which are books through the format of e-books which resulted in a huge success in terms of sales and market shares.

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(b) (i)

Geographic market segment heavily impacts the clothing industry in regions of different climates. For example, the clothing industry will see a huge increase of warm clothing traders promoting and selling their products in regions with low temperatures such as Canada and Russia. This market segment result in them focusing on certain colder region climate as it is easy to make profit in this location. These sellers will not make as much profit or even lose money if they target warmer climate regions such as Australia or Malaysia.

(ii) Demographic market segment can be divided into many factors, one of which is culture-based marketing. For example, WaNaHong is an online supermarket catered to Asians living in foreign countries. Their website primarily features familiar products from South East Asia region and is heavily skewed towards providing local products found in these regions. Their products typically contain description in English and Chinese to exploit the sense of nostalgia from people living away from their birthplace.

(iii)

Psychographic market segment mainly targets the interest of the consumers by analysing their personalities and lifestyles. For example, a famous brand like Gucci primarily targets the upper-class consumer which desires high quality and high price product that is common in high fashion industry. They also succeed in marketing themselves as a familiar and accessible luxury brand in their 2015 “A That Feeling When” campaign which targets upper-class millennials resulting in a huge successful campaign.

c)

UTAR definitely utilises market segments in terms of demographic market segment. One of the demographic segmentation variables is age. UTAR offers courses to new high-school graduates to further their studies in foundation and subsequently degrees. UTAR also heavily targets the low-income and middle-income students due to its reasonable school fees. UTAR also utilises geographic market segmentation. UTAR has different campuses in two locations to better target their student intake. The strategic locations allow city dwellers and urban citizens to apply to a university close to their hometown. The geographic market segment is also based on population density, their location is strategic in which they are built away but close enough to major cities to attract their students to come to study.